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BEFORE THE ARIZONA CORPORATION COM

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COMMISSIONERS

LEA MARQUEZ-PETERSON, Chairwoman  
SANDRA D. KENNEDY  
JUSTIN OLSON  
ANNA TOVAR  
JIM O'CONNOR

2022 MAY 16 P 2:11  
AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION  
OF SALT RIVER PROJECT  
AGRICULTURAL IMPROVEMENT AND  
POWER DISTRICT, IN CONFORMANCE  
WITH THE REQUIREMENTS OF ARIZONA  
REVISED STATUTES, SECTIONS 40-360, et.  
seq., FOR A CERTIFICATE OF  
ENVIRONMENTAL COMPATIBILITY  
AUTHORIZING THE EXPANSION OF THE  
COOLIDGE GENERATING STATION, ALL  
WITHIN THE CITY OF COOLIDGE, PINAL  
COUNTY, ARIZONA.

Docket No. L-00000B-21-0393-00197

Case No. 197

**REQUEST FOR REHEARING AND  
RECONSIDERATION PURSUANT  
TO A.R.S. §§ 40-253 AND 40-360.07**

Arizona Corporation Commission

**DOCKETED**

**MAY 16 2022**

**I. INTRODUCTION**

DOCKETED BY

*[Signature]*

Unless reconsidered and reversed, the April 28, 2022, Order will impair the reliability of the SRP system, creating serious risk that there will be insufficient resources necessary to serve anticipated customer electrical demand beginning in 2024 and also will hamper SRP's ability to integrate additional renewable resources into its system as SRP will lack critical quick start flexible generation.

The Order also will dramatically increase costs to SRP customers as SRP must now seek to replace the reliable, flexible, least-cost generation option of the Coolidge Expansion Project (Project) with dramatically more expensive and uncertain options, which at this time SRP projects to be substantially greater than the costs of the Project.

The Order contains the following legal and factual errors, which require reconsideration and reversal:

1. The factual conclusion in the Order that the Application was incomplete is incorrect. To the contrary, the Application complied with all statutory and regulatory requirements. Arizona Corporation Commission (Commission) Staff reviewed the Application, intervened in the proceeding, and recommended approval of the Application;

2. The legal conclusions in the Order are incorrect as the Commission may not lawfully deny the Application on the basis that SRP did not conduct an additional All Source Request for Proposals (RFP), that the SRP Board process was allegedly “rushed”, or that the SRP Board purportedly did not review the E3 report;
3. The factual conclusions and discussion in the Order regarding the community of Randolph are incorrect – there is no evidence upon which to conclude the community received disparate treatment as compared to a white or affluent community. In fact, the SRP mitigation proposal to Randolph was significantly more than what was provided to the community adjacent to the Santan Generating Station on a per household basis;
4. The factual conclusion in the Order is incorrect regarding the anticipated environmental impact on the adjacent community. The record does not show any material adverse environmental impact and SRP committed to providing appropriate air emission, noise, and visibility mitigation actions.

For the reasons presented herein, SRP urges the Commission to reconsider the Order and then vote to adopt the recommendation of Commission Staff and approve the Certificate of Environmental Compatibility (CEC) granted by the Arizona Power Plant and Transmission Line Siting Committee (Line Siting Committee), which voted 7-2 for this critical Project. As Commission Staff noted:

Staff considered the project’s potential impacts to the grid, as well as any reliability or safety concerns it might pose. Based on that analysis, Staff recommended approval of the CEC.

Staff believes that the issuance of a CEC for the Coolidge Expansion Project will allow the applicant to meet growing peak demand by providing fast-ramping generation capable of quickly responding to fluctuations in demand. The flexible generation provided by the project will support the increase in integration of renewable resources onto the electrical grid by maintaining the grid’s reliability.

Staff would also like to note that it does not believe the Line Siting statutes allow the Committee or Commission to make resource planning decisions on behalf of SRP. Rather, as many have pointed out today, the statute requires the

Committee and Commission to base its decision on the factors enumerated in ARS Section 40-360.06.

Oral Argument March 16, 2022, 204:24-205:22.

SRP recognizes the concerns and interests of the community of Randolph and their expressed desire to thrive today and in the future. Towards that end, in addition to the previously proposed mitigation measures that the Line Siting Committee included in the CEC based on input from Randolph Intervenors, if the Commission approves the Project, SRP proposes the following additional mitigation to further reduce the impact of the expansion:

1. Additional road paving to completely offset PM-10 emissions from both the existing plant and the expansion;
2. Construction of a block wall across the western perimeter of the plant to provide additional visual and noise mitigation;
3. Doubling the funding for the Home Rehabilitation and Energy Efficiency Fund to be used in the Randolph community;
4. Provide up to \$2 million for the construction of a Randolph Community Center.

Finally, despite the critical need for the capacity and the flexible ramping capability this project will provide SRP is willing, at the direction of the Commission, to reduce the number of new units at the Coolidge location to twelve to even further address any perceived remaining environmental impacts. Doing so would not obviate the need for the other four units – SRP would have to find location(s) for the other four units, as all sixteen are needed to serve SRP's customers.

## **II. THE COMMISSION'S STATUTORY ROLE IS TO BALANCE THE UNCONTROVERTED NEED FOR THIS PROJECT WITH THE DESIRE TO MINIMIZE ENVIRONMENTAL EFFECTS**

Until this Order, Arizona customers' needs for reliable, adequate, and economical power have always been given great weight by the Commission when conducting its balancing test under A.R.S. § 40-360.07. As the Line Siting Committee found, the need for the Project is critical, urgent, and uncontested. SRP's customers need the capacity and flexibility that the Project will provide – along with other new resources – to ensure the lights stay on and air

1 conditioners operate to protect public health and safety beginning in the summer of 2024 and  
2 beyond.

3 The Commission's rejection of the Line Siting Committee's thoughtful and lawful  
4 CEC for the Project will impair the reliability of SRP's system, dramatically increase costs  
5 and risks for SRP's customers, and result in no material environmental benefits.<sup>1</sup> None of the  
6 projects and resources that bid into SRP's currently ongoing All Source RFP can provide both  
7 the dependable flexibility and capacity of the CEP. In addition, given the recent well-known  
8 and increasing solar panel and battery supply chain challenges, there is no certainty of  
9 deliverability for alternative resources to meet demand in the summer of 2024. The additional  
10 costs, and any societal, economic, and health ramifications due to insufficient and unreliable  
11 power in the summer of 2024, will be borne by SRP's customers and the state.<sup>2</sup>

12 During the **eight-day** evidentiary hearing, reflected in a transcript over 1,500 pages  
13 long, the Line Siting Committee carefully considered the testimony of 23 witnesses and even  
14 more public commenters. The nine members of the Line Siting Committee fully considered  
15 the testimony, including testimony about past injustices to the Randolph community. They  
16 also considered the uncontroverted evidence that the Project was urgently needed and the  
17 evidence that the Project would be environmentally compatible, meet all applicable  
18 environmental requirements, and have minimal environmental effects. They listened to the  
19 testimony that an alternative portfolio that included battery storage would cost customers an  
20 additional \$637 million for no material decrease in carbon emissions. They carefully evaluated  
21 the evidence, followed the law, held SRP to the same standards as all prior applicants, and  
22 issued a CEC for the Project by a 7-2 vote.

23 The Commission's decision rejected the Line Siting Committee's thoughtful,  
24 comprehensive, factually accurate, and legally appropriate CEC and instead substituted an

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25  
26 <sup>1</sup> The environmental consequences of the Order are in fact quite negative. The Project's flexible generation is a  
critical component of SRP's carbon reduction goals because it will help SRP integrate thousands of megawatts  
of renewable resources.

27 <sup>2</sup> Because SRP is a not-for-profit public power provider, there are no shareholders to bear the consequences of  
28 the Commission's Order, only customers.



1 alternative order containing factual and legal errors that did not reflect the evidentiary record  
2 developed by the Line Siting Committee.<sup>3</sup> Many of these errors, if uncorrected, will increase  
3 uncertainty and costs for all future utility infrastructure projects – regardless of type – at  
4 precisely the worst possible time to do so – a time of rapidly growing loads, surging inflation,  
5 and supply chain disruptions. This will hurt customers and impair Arizona’s continued  
6 economic growth.

7         Since the eight-day evidentiary hearing before the Line Siting Committee, the urgent  
8 need for this unique and currently available resource that provides both capacity and flexibility  
9 has become even more urgent. Due to the U.S. Commerce Department investigation,  
10 announced on March 28, 2022, solar panel supply chains have been significantly disrupted,  
11 and all of the solar projects that SRP has under contract to begin operation in 2023 and 2024  
12 are at risk of significant delays and cost increases. In a May 1, 2022, letter to the Commerce  
13 Department, a bipartisan group of U.S. Senators highlighted the consequences of the  
14 investigation to date which include skyrocketing costs, delays, and cancellations: “83% of U.S  
15 Solar companies report being notified of canceled or delayed panel supply.”<sup>4</sup> As a result of the  
16 investigation, California faces a delay of at least 4,350 MW of solar plus storage projects that  
17 the state needs to come online between 2022 and 2024.<sup>5</sup> Intervenor Sierra Club, who hailed  
18 the Commission’s denial of the Project in April, warned of the consequences of the  
19 investigation in March.<sup>6</sup>

20         Like solar projects, battery storage projects also are at risk of experiencing significant  
21 delays due to global supply chain challenges and increased costs. Demand for raw materials  
22

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23 <sup>3</sup> The Administrative Law Judge did not preside over the evidentiary hearing and was put in a difficult position  
24 of drafting sample orders for an eight-day evidentiary hearing she did not conduct.

25 <sup>4</sup> <https://www.rosen.senate.gov/sites/default/files/2022-05/Quill%20-%20Letter%20%23L4823%20-%20Senate%20Letter%20to%20President%20Biden%20re%20Solar%20Circumvention%20Petition%20-%20Version%20%232%20-%2005-01-2022%20%40%2006-30%20PM.pdf>. SRP requests the Commission  
26 take administrative notice in accordance with Az. Rules of Evid. 201.

27 <sup>5</sup> Letter from California Governor Gavin Newsom to Commerce Secretary Gina Raimondo, April 27, 2022.  
SRP requests the Commission take administrative notice in accordance with Az. Rules of Evid. 201.

28 <sup>6</sup> <https://www.sierraclub.org/press-releases/2022/03/president-biden-must-close-commerce-s-solar-panel-investigation-and-invest?s=03>.

1 used in lithium-ion batteries exceeds supply and rising raw materials costs have reached a  
2 “crisis point”, with lithium carbonate prices having “quintupled since last August.”<sup>7</sup> Rapid and  
3 significant raw material pricing increases have led to increased battery costs and price  
4 volatility, which makes projects more difficult to finance. *Id.* In addition, approximately 70%  
5 of global lithium-ion battery manufacturing is in China, where strict COVID-19 lockdowns  
6 have frozen supply chains.<sup>8</sup> Also of great concern are the operational challenges as evidenced  
7 by the recent fires at the Dorman Battery Storage Facility and the 400 MW Moss Landing  
8 storage facility in California.

9         These solar and battery supply chain disruptions are currently affecting SRP and its  
10 customers and will continue to do so for the foreseeable future. SRP has 1,350 MW of solar  
11 and battery storage projects contracted to be online by summer 2024 and is counting on these  
12 projects – in addition to the Coolidge Expansion Project – to ensure resource adequacy for its  
13 customers. These new generation resources are all now at risk of delays, which makes the need  
14 for the Project even more critical than it was when the Commission denied the CEC issued by  
15 the Line Siting Committee last month.

16         While Arizona is part of the larger western grid, that larger market will not be able to  
17 respond to assist Arizona in meeting customers’ electrical needs in 2024. New Mexico is  
18 facing negative reserve margins next summer and is keeping the coal-fired San Juan  
19 Generating Station online past its retirement date.<sup>9</sup> California recently announced it is  
20 considering keeping the Diablo Canyon Nuclear Facility online past its planned retirement  
21 date to ensure that sufficient capacity is available.<sup>10</sup> A recent study of the Desert Southwest by  
22 E3 found that “load growth and resource retirements are creating a **significant and urgent**  
23 **need for new resources** in the Southwest region; maintaining regional reliability will hinge  
24

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25 <sup>7</sup> <https://www.energy-storage.news/us-battery-storage-industry-at-crisis-point-over-supply-chain-crunch/>

26 <sup>8</sup> <https://www.onecharge.biz/blog/u-s-role-in-global-lithium-battery-manufacturing/>

27 <sup>9</sup> <https://nmpoliticalreport.com/2022/02/24/prc-says-pnm-has-the-authority-to-continue-operations-of-san-juan-generating-station/>

28 <sup>10</sup> <https://www.latimes.com/environment/story/2022-04-29/california-promised-to-close-its-last-nuclear-plant-now-newsom-is-reconsidering>

1 on whether utilities can add new resources quickly enough to meet this growing demand and  
2 will require a pace of development largely unprecedented for the region.”<sup>11</sup> E3 also found that  
3 “[e]xisting and committed resources alone will be insufficient to meet the region’s reliability  
4 needs. Filling this gap will require close to 4,000 MW of new effective capacity by 2025....”<sup>12</sup>  
5 In sum, the Project is critically needed, now more than ever.

6 SRP acknowledges, and Commission Staff and the Line Siting Committee  
7 understand, that few residents desire electrical infrastructure located in close proximity to their  
8 homes. Yet utilities must build necessary infrastructure to serve customers. SRP also  
9 recognizes and respects Randolph’s unique and important history as an African American  
10 community and its desire to thrive in the future. To offset the minimal impact of the Project  
11 on the local community, SRP proposed many conditions as part of the CEC, with input from  
12 the Randolph Intervenors, in an effort to improve the quality of life for Randolph residents.  
13 These measures included:

- 14 • Road paving in Randolph community and around plant (\$4.1 million to \$6.6  
15 million)
  - 16 ○ SRP estimates that this road paving will offset the expected emissions  
17 associated with the Coolidge Expansion Project (in this request, SRP  
18 proposes to pave additional roads to also offset emissions from the existing  
19 facility).
- 20 • Landscaping and beautification projects in Randolph community and around plant  
21 (\$1,100,00 to \$1,500,000)
- 22 • Landscaping maintenance (\$800,000 to \$1.2 million over 20 years)
- 23 • Job and skills training for Randolph residents (up to \$2 million)
- 24 • Scholarship fund for Randolph residents (up to \$2 million)
- 25 • Support for Randolph to pursue historical designation (\$270,000)
- 26 • Grant writing support for Randolph community (\$100,000)

27 The Line Siting Committee, after hearing extensive public comment and the  
28 testimony from intervenors, adopted those proposals as part of the CEC, as well as additional  
conditions requested by the Randolph community, including reasonable noise restrictions and

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<sup>11</sup> [https://www.ethree.com/wp-content/uploads/2022/02/E3\\_SW\\_Resource\\_Adequacy\\_Final\\_Report\\_FINAL.pdf](https://www.ethree.com/wp-content/uploads/2022/02/E3_SW_Resource_Adequacy_Final_Report_FINAL.pdf) (E3 Report), Executive Summary, pg. 2 (emphasis added)

<sup>12</sup> *Id.*, Executive Summary, pg. 7.

1 public safety plans to support the Project. The total cost of the mitigation measures adopted  
2 by the Line Siting Committee for the Project was approximately \$10,400,000 to \$13,700,000  
3 – \$23,100 to \$30,500 per household in the two-mile study.

4 SRP also agreed to implement an additional ambient air quality monitoring program  
5 in and surrounding the Randolph community based on one of Commissioner O'Connor's  
6 proposed amendments. The cost for that program would have been approximately \$500,000  
7 for the monitors plus additional costs for ongoing operation and maintenance. SRP also  
8 proposed to fund a home repair program to improve the energy efficiency of homes in  
9 Randolph as part of the CEC for the Project at a cost of \$125,000. And, as set forth in the  
10 introduction, if the CEC is approved on reconsideration, SRP is proposing even more  
11 mitigation now:

12 **Additional conditions proposed in this rehearing/reconsideration request:**

- 13 • Construction of a Community Center for Randolph community (\$2 million)  
14 • Home repairs for Randolph residents via Pinal County's Owner Occupied  
15 Rehabilitation Program (\$250,000), doubling what SRP offered prior to the April  
16 Open Meeting.  
17 • Additional road paving to offset emissions (\$450,000)  
18 ○ The additional road paving along with paving in the proposed conditions  
19 would offset PM-10 emission associated with the existing facility and the  
20 proposed expansion.  
21 • Block wall along plant's western edge (\$1.2 million)

18 The total mitigation proposal is now approximately \$14,300,000 to \$17,600,000. In  
19 sum, contrary to the Order's assertions regarding disparate treatment, the mitigation measures  
20 for this Project far exceed the mitigation measures adopted for the Santan expansion in Gilbert.  
21 The per household mitigation cost was approximately \$1,250 for the Santan expansion; it is  
22 \$31,750 to \$39,000 per household for this Project.

23 The Commission is responsible to act in the broad public interest of all citizens as it  
24 balances the critical need for additional generation for all with the potential impact on a  
25 specific community near such a facility. Here, the record unquestionably demonstrates the  
26 need to approve the Project and further demonstrates that the community interests have been  
27 heard and addressed in an appropriate manner. Otherwise, SRP customers, including low  
28



1 income customers, face over \$1 billion in additional costs above what it would cost for the  
2 Project and the risk that needed power will not be available.

### 3 **MEMORANDUM OF POINTS AND AUTHORITIES**

4 This request for rehearing/reconsideration addresses: the completeness of the  
5 Application; the Commission's limited jurisdiction and quasi-judicial responsibilities when  
6 reviewing CECs granted by the Siting Committee; the absence of substantial evidence to  
7 support findings of a significant environmental impact; and the inaccurate legal assertions in  
8 the order on which the Commission based its denial.

9 Commission action must be based on substantial evidence, not speculation or  
10 conjecture. *City of Tucson v. Citizens Utilities Water Co.*, 17 Ariz. App. 477, 481 (1972); *see*  
11 *also Arizona Corp. Commission v. Arizona Water Co.*, 111 Ariz. 74, 523 P.2d 505 (1974)  
12 (overturning Commission decision rescinding CC&N in absence of substantial evidence). In  
13 addition, the Commission's jurisdiction in siting matters is not unlimited. Its decisions must  
14 be based on factors within its statutory authority to consider. A.R.S. § 40-360, *et seq.* Due  
15 process prevents the Commission from denying an application on the grounds that the  
16 applicant allegedly failed to provide information that the Commission's rules do not require.  
17 *See* A.R.S. § 41-1001.01(A)(7); A.R.S. § 41-1030(B). Due process also requires the  
18 Commission to make decisions based on clearly defined legal standards of which the applicant  
19 has prior notice. A.R.S. § 41-1003; A.R.S. § 41-1052 (requiring rules be "clear, concise and  
20 understandable to the general public."). And finally, equal protection under the law and the  
21 principle of stare decisis require the Commission to apply clearly defined standards fairly and  
22 consistently.<sup>13</sup> *Waltz Healing Center, Inc. v. Arizona Department of Health Services*, 245 Ariz.  
23 610, 616, 433 P.3d 14, 20 (App. 2018) (citing *Book-Cellar, Inc. v. City of Phoenix*, 150 Ariz.  
24 42, 45, 721 P.2d 1169, 1172 (App. 1986)) ("The right of equal protection is a guarantee 'that  
25 persons in like circumstances and like conditions be treated equally.'"). On all of these  
26 fundamental constitutional principles of administrative law, the Order widely misses this

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28 <sup>13</sup> *See, e.g.*, Order No. 74812, discussed *infra*, in which the Commission rejected conditions concerning resource planning and RFPs

1 mark. And in so doing, the Commission's Order ignores the grave societal, economic, and  
2 health consequences if the Project is not approved.

3 **I. THE DENIAL OF THE CEC BY THE COMMISSION WAS ARBITRARY,**  
4 **UNREASONABLE, AND UNLAWFUL ON THE ASSERTED BASIS THAT**  
5 **THE APPLICANT DID NOT PROVIDE INFORMATION THAT THE**  
6 **COMMISSION'S OWN RULES DO NOT REQUIRE, AND THAT THE**  
7 **APPLICATION DID PROVIDE.**

8 The Order inaccurately asserts that the CEC Application was incomplete. Order at  
9 9:16-25. The requirements for a CEC application are set forth in A.A.C. R14-3-210 and  
10 Exhibit I to Article 2, thereto. SRP's Application fully complied with these regulatory  
11 requirements. Had it not, the ACC Staff would not have recommended approval and the Line  
12 Siting Committee would not have approved it. The Order does not, and cannot, identify any  
13 application requirement set forth in Commission rules that SRP failed to provide.

14 **A. SRP provided a power flow and stability analysis.**

15 In support of its position, the Order mimics Sierra Club's mischaracterization that  
16 SRP failed to provide the power flow and stability analysis required by ARS § 40-  
17 360.02(C)(7). As Commission Staff noted:

18 Mr. Rich [Sierra Club's Counsel] has mischaracterized Staff's testimony.  
19 Staff's witness, Andrew Smith, testified that Staff ... reviewed SRP's ten-year  
20 plan, which included a power flow and stability analysis. And Mr. Smith  
21 further testified that Staff requested an updated power flow study, which is  
22 common for Staff to do. However, Mr. Smith was unaware whether SRP had  
23 filed that updated power flow and stability analysis since his initial review of  
24 SRP's ten-year filing.

25 Additionally, at hearing, counsel for SRP represented that the company did file  
26 an updated power flow study to the Commission in January 2022. Oral  
27 Argument, March 16, 2022, 206:1-13.

28 As Commission Staff notes, Sierra Club misrepresented the record. Here are the  
actual facts. In its Ninety-Day pre-filing submittal on September 14, 2021, SRP stated:

The technical study report, internal planning criteria and system ratings are  
deemed confidential Critical Energy/Electric Infrastructure Information  
(CEII). These confidential reports will be made available upon request under  
a separate cover once a protective agreement is executed.

1 The Commission made no such request.<sup>14</sup> That is not a surprise, because by statute,  
2 the plans are “recognized and utilized as tentative information only[,] subject to change at any  
3 time at the discretion of the person filing the plans,” and reviewed by the Commission  
4 biennially as part of the separate Biennial Transmission Assessment. A.R.S. § 40-360.02(F)  
5 and (G). However, concurrent with its January 2022 Ten-Year Plan Filing and before the Line  
6 Siting Committee hearing, SRP did provide a copy of the updated power flow and stability  
7 analysis to Commission Staff pursuant to the existing Protective Agreement in that Docket.  
8 Tr. 1338:4-1339:6. Staff reviewed the 2022 Ten-Year Plan Filing and identified no concerns  
9 with respect to reliability. Tr. 1338:15-1339:5. Thus, the Order is factually inaccurate in its  
10 suggestion that the SRP Application was incomplete.

11 **B. A power flow and stability analysis is not a required element of a CEC**  
12 **application.**

13 As part of a CEC application, the Committee and Commission have no jurisdiction to  
14 review power flow studies and, to SRP’s knowledge, power flow studies have never been  
15 reviewed by the Committee in any prior siting case. Rather, the Commission has the authority  
16 and duty to review these studies as part of the Biennial Transmission Assessment under A.R.S.  
17 § 40-360.02(G). In addition, even if SRP had completely failed to provide Commission Staff  
18 with the power flow and stability analysis, it is neither a required component for a CEC  
19 application as set forth in the Commission’s rules nor a lawful basis to deny a CEC under the  
20 siting statutes. Instead, failure to provide required information in a ninety-day pre-filing plan  
21 allows the Commission – in its discretion – to refuse to consider the CEC application, in the  
22 absence of good cause.

23 Had there been a justifiable concern regarding the power flow and stability analysis,  
24 the time for Sierra Club and the Commission to raise it was when the Application was  
25 submitted, not several months later as a basis for denying the CEC. Here, the Commission: 1)  
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27 <sup>14</sup> The Commission has a protective agreement in place to receive CEII in the Biennial Transmission Assessment  
28 docket. Commission Staff informed SRP that no protective agreement was in place or would be established in  
the separate Ninety-Day filing docket.

1 did not ask for the power flow and stability analysis when SRP offered it originally; 2) did not  
2 give SRP an opportunity to show cause (nor would there have been reasons to do so because  
3 SRP had already offered to provide it and subsequently did to Commission Staff, who provided  
4 testimony regarding its review); and 3) did not refuse to consider the Application.

5 **C. SRP considered alternatives and presented testimony regarding**  
6 **alternatives to the Committee, notwithstanding the absence of any legal**  
7 **obligation to do so.**

8 The Order also asserts that a “full copy of the E3 analysis was not given to the SRP  
9 board prior to approval of the project by the board or to the Committee...” and that SRP did  
10 not consider “sufficient information regarding any feasible and potentially economical  
11 alternatives.” First, the information reviewed by the SRP Board is irrelevant to the  
12 Commission’s review under A.R.S. § 40-360.07. Second, the E3 analysis, commissioned by  
13 SRP, was conducted to evaluate whether an alternative portfolio of resources to the Project  
14 could be developed. Tr. 431:10-24. E3’s results showed that it could, albeit at a significantly  
15 higher cost to customers and with significantly more battery and solar resources. Tr. 336:7–  
16 344:25. That information was provided to the Committee and part of the evidentiary record.  
17 Contrary to the assertion in the Order, the record shows that SRP considered that information  
18 – as well as recent RFP responses – in making its decision to proceed with the Project. Tr.  
19 392:11-16. Third, the Commission’s own rules do not require a CEC applicant to provide an  
20 alternatives analysis or conduct an All Source RFP. To the extent the Commission wants to  
21 change the requirements for CEC applications, it must do so through a formal rulemaking  
22 process that provides applicants with prior notice of what is expected. *See* A.R.S. § 41-  
23 1001.01(A)(7); A.R.S. § 41-1030(B). It is unlawful, unreasonable, and arbitrary to insist on  
24 additional requirements that are not set forth in the rules governing CEC applications. *Id.* And  
25 finally, notwithstanding the lack of jurisdiction and the absence of any legal requirement to  
26 provide an alternatives analysis, SRP did provide the alternatives analysis it evaluated. SRP  
27 did so in a spirit of cooperation and transparency, not so that its Board’s resource planning  
28 determination could be unlawfully and unreasonably second-guessed by the Commission.



1 In summary, the Order's discussion regarding reliability, resource planning,  
2 alternative analyses, and need, as well as Findings of Fact 2-6 and Conclusions of Law 1, 3,  
3 and 4 are inaccurate and irrelevant.<sup>15</sup> They provide no lawful basis for the Commission to deny  
4 the CEC granted by the Line Siting Committee.

5 **II. THE ORDER TO DENY THE CEC WAS ARBITRARY, UNREASONABLE,**  
6 **AND UNLAWFUL BECAUSE THE COMMISSION HAS NO JURISDICTION**  
7 **OVER SRP'S RESOURCE PLANNING PROCESS.**

8 SRP agrees with Commission Staff:

9 Staff's understanding is that while the Committee has jurisdiction over power  
10 plants and transmission lines, it does not have the jurisdiction to approve or  
11 deny the resource planning decisions made by the Applicant. Rather, the  
12 Committee exists to evaluate the environmental compatibility of a project  
13 site. Additionally, Salt River Project is not regulated by the ACC, and it does  
14 not submit any type of resource planning to the Commission. Ultimately, the  
15 resource planning process and related decisions are determined by SRP's  
16 Board. Therefore, Staff recommends the Committee evaluate the proposed  
17 project based on the factors enumerated in Section 40-360.06.

18 Commission Staff Letter dated January 12, 2022.

19 Staff would also like to note that it does not believe the Line Siting statutes  
20 allow the Committee or Commission to make resource planning decisions on  
21 behalf of SRP. Rather, as many have pointed out today, the statutes required  
22 the Committee and Commission to base its decision on the factors  
23 enumerated in ARS Section 40-360.06.

24 Oral Argument March 16, 2022, 205:16-205:22.

25 SRP also agrees with the Commission's Order in the Ocotillo Modernization Project,  
26 Order No. 74812. In that matter, the applicant and RUCO requested the CEC be amended to  
27 include three conditions related to resources planning and requiring RFPs for future  
28 resources.<sup>16</sup> During deliberations, the Commissioners understood their role when reviewing a

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25 <sup>15</sup> Although it is typical for Applicants to provide information regarding the need for a Project, and SRP  
26 provided uncontroverted evidence in this matter, the Commission's rules do not require an Applicant to provide  
27 evidence regarding need. Under the statutory framework, the need for adequate, economic, and reliable power  
28 is a given. *See* Declaration of Policy for the Line Siting Statutes, Laws 1971, ch. 67 § 1, "[t]he legislature hereby  
finds and declares that there is at present and will continue to be a growing need for electric service which will  
require the construction of major new facilities."

<sup>16</sup> <https://docket.images.azcc.gov/0000156123.pdf>

1 CEC issued by the Line Siting Committee was to evaluate a project's environmental  
2 compatibility, not engage in resource planning policy considerations.<sup>17</sup> The Commission  
3 rejected the joint applicant/RUCO request. Order No. 74812.

4 In September 2021, SRP's elected Board, with full knowledge of the expected  
5 unprecedented growth in SRP's service territory, the feasibility and cost of potential resource  
6 alternatives, and the Commission's prior determination that the Coolidge Generating Station  
7 was an appropriate and environmentally compatible location for a simple-cycle power plant,  
8 authorized SRP to request a CEC for the Coolidge Expansion Project. SRP's elected board,  
9 not the Commission, has jurisdiction over SRP's resource planning decisions. The Order,  
10 however, ignores the limits on the Commission's jurisdiction, criticizing SRP for what  
11 information was provided to the SRP Board and asserting that SRP failed to provide "the  
12 Committee sufficient information regarding any feasible and potentially economical  
13 alternatives." Order at 10:2-3. As discussed in the preceding section, this is factually inaccurate  
14 – SRP did provide this information – and legally incorrect, as an alternatives analysis is not a  
15 required component of a CEC application.

16 **III. THE COMMISSION'S ACTION WAS ARBITRARY, UNREASONABLE,**  
17 **AND UNLAWFUL BECAUSE THE SITING STATUTES DO NOT GIVE THE**  
18 **COMMISSION THE AUTHORITY TO DENY A CEC ON THE GROUNDS**  
19 **THAT A DIFFERENT TECHNOLOGY SHOULD HAVE BEEN SELECTED.**

20 Evaluating alternatives requires a comprehensive understanding of SRP's entire  
21 generating resource portfolio and customer loads. Making informed resource planning  
22 decisions requires teams of full-time personnel with subject matter expertise and knowledge,  
23 i.e., those who actually operate a power system on a daily basis, not by intervenors with no  
24 expertise in resource planning or operating utilities. These complex resource planning  
25 decisions cannot be made – and have never previously been made – within the context of a  
26 siting matter for one particular project.

27  
28 <sup>17</sup> See deliberations available here  
[https://azcc.granicus.com/player/clip/1726?view\\_id=&meta\\_id=13862&redirect=true](https://azcc.granicus.com/player/clip/1726?view_id=&meta_id=13862&redirect=true).

1 Furthermore, if the Commission had the statutory authority to evaluate alternatives,  
2 one would expect the Commission's rules regarding applications to require an applicant to  
3 identify alternative technologies, submit system-wide resource and load profiles, and provide  
4 evidence in support of the Applicant's selected choice. Neither the siting statutes approved by  
5 the State legislature nor the Commission's rules include such requirements. The Commission  
6 may not deny an application for not providing information that the line siting statutes and  
7 Commission rules do not require. A.R.S. § 41-1001.01(A)(7); A.R.S. § 41-1030(B).

8 The Commission's siting jurisdiction is not unlimited. By second guessing the  
9 resource planning decisions of SRP's elected Board, the Commission has arbitrarily,  
10 unreasonably, and unlawfully overstepped its limited statutory jurisdiction over SRP. The  
11 Order's discussion regarding resource planning, alternative analyses, and need, Findings of  
12 Fact 2-6, and Conclusions of Law 1, 3 and 4, are inaccurate and irrelevant. SRP urges the  
13 Commission to reconsider and respect SRP's elected board's independent authority.

14 **IV. THE COMMISSION'S DENIAL OF THE CEC WAS ARBITRARY,**  
15 **UNREASONABLE, AND UNLAWFUL BECAUSE THE COMMISSION HAS**  
16 **NO JURISDICTION TO REVIEW THE PRUDENCY OF SRP'S RESOURCE**  
**PLANNING CHOICES.**

17 The Order asserts "the record does not contain sufficient information to allow the  
18 Commission to find that the CEP is an economical supply of power..." This statement is  
19 factually incorrect<sup>18</sup> and an unlawful basis for the Commission's denial.

20 The Commission has no authority to evaluate whether SRP's resource planning  
21 decisions are economic. "Nothing contained in [the siting statutes] shall confer upon the  
22 commission the power or jurisdiction to regulate or establish the rates, regulations or  
23 conditions of service of any such person." A.R.S. § 40-360.12. By justifying denial on  
24 economic grounds, the Commission is conducting a prudency review as part of a siting case  
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27 <sup>18</sup> The evidentiary record demonstrated that the Project, under any foreseeable scenario, is far more economic  
28 for customers than an alternative portfolio of batteries and a future hydrogen combustion technology. Tr. 336:7-  
344:25.

1 and engaging in a ratemaking review for which it has no authority over SRP. That is the  
2 exclusive domain of the SRP Board.

3         Additionally, if the Commission had such authority, its rules should specify what  
4 economic information must be provided in a CEC application. They do not. The Commission's  
5 rules governing siting applications do not mention need, economic, or adequacy. Absent a rule  
6 promulgated under proper authority and in accordance with rulemaking procedures, the  
7 Commission may not deny an application for failing to provide information that the  
8 Commission's rules do not require an applicant to provide.

9         In addition, even though it had no obligation to do so and the Commission has no  
10 authority to review, SRP *did* present evidence to the Line Siting Committee demonstrating that  
11 the Project was the most economically prudent decision. Tr. 343:10-344:7.

12         In light of the Commission's limited jurisdiction provided under A.R.S. § 40-360.06  
13 and § 40-360.07, and the explicit prohibition against ratemaking jurisdiction under A.R.S. §  
14 40-360.12, the Commission may not deny SRP's application on economic grounds. Because  
15 the Order relies on an unlawful basis to justify denial, it must be reconsidered.

16 **V.       THE ORDER IS ARBITRARY, UNREASONABLE, AND UNLAWFUL AS**  
17 **ITS FINDINGS AND CONCLUSIONS WITH RESPECT TO**  
18 **ENVIRONMENTAL COMPATIBILITY CONFLICT WITH PRIOR**  
19 **PRECEDENT AND CONTRADICT THE EVIDENTIARY RECORD**  
20 **DEVELOPED BY THE LINE SITING COMMITTEE.**

21         Commission decisions must be supported by facts, not speculation or conjecture.  
22 *Citizens*. Finding of Fact #7 improperly asserts that the Project will "have significant negative  
23 impacts on residents in Randolph" for a variety of alleged reasons, including noise levels,  
24 lighting, "emissions of greenhouse gases, worsened air quality, degraded views, and lower  
25 property values." Finding of Fact #8 asserts that the CEC conditions "do not adequately  
26 compensate the citizens of Randolph for the damages they would incur as a result of approving  
27 the Project." The evidentiary record supports none of these Findings, which rely on  
28 misstatements and witness speculation and conjecture, not substantial evidence. *See Arizona*  
*Corp. Commission v. Arizona Water Co.*, 111 Ariz. 74, 523 P.2d 505 (1974). The Findings



1 also unlawfully and unreasonably ignore the only site-specific analyses conducted and  
2 presented in the record.

3 With respect to noise, the evidence in the record, which was based on site specific  
4 noise studies and receptors placed in the field – demonstrates that the noise increase from the  
5 Project will range from 0.5 to 2.6 dBA. *See* Noise Technical Report for the Coolidge  
6 Expansion Project, CEC Application, Hr. Ex. SRP-01, Ex. I-1. The highest estimated increase  
7 of 2.6 dBA is just at the threshold of human perception, a level that is “barely perceptible.” *Id.*  
8 This estimated increase is at the nearest residence, located approximately 1,000 feet from the  
9 Project. *Id.* Randolph residents are located approximately 2,800 feet or more from the Project,  
10 and thus noise levels will be lower.<sup>19</sup> *Id.* The Noise Technical Report that SRP submitted into  
11 the record included ambient sound measurements to determine the existing soundscape using  
12 “precision integrating sound-level meters” at two long-term and nine short-term monitoring  
13 sites. *Id.* No other party to the hearing before the Line Siting Committee offered any  
14 controverting noise study for the record, but simply made unfounded statements. Thus, there  
15 is nothing in the record to support the Order’s conclusions. In addition, the CEC requires SRP  
16 to comply with “[a]ll applicable noise control standards...” and SRP agreed, at the request of  
17 Randolph Intervenors, to use reasonable efforts to minimize nighttime construction noise.  
18 CEC Conditions 3.d. and 13. Vegetative screening that SRP committed to implement to  
19 minimize visual impacts is also intended mitigate noise impacts. *See* Noise Technical Report,  
20 Section 5.1: “Barriers and/or discontinuities (e.g., existing structures, topography, foliage,  
21 ground cover, etc.) that attenuate the flow of sound may compromise” noise transmission.”

22 With respect to any potential lighting impacts on the community from the tower lights,  
23 the evidence demonstrates that SRP agreed to reduce existing and future nighttime lighting,  
24 and indeed already did so for the existing facility, thus even mitigating pre-existing impacts.  
25 *See* CEC Condition No. 8. With that change, the lighting impact even after the Project will be  
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27 <sup>19</sup> Referencing Sierra Club’s arguments, the Order asserts that the Project is within 1,000 feet of Randolph  
28 community. Order, 7:10-12. However, this too is incorrect. The nearest Randolph residence is 2,800 feet away.

1 less than what existed prior to the Application being filed. As such, there is no support for any  
2 factual statement that there would be an adverse lighting impact on the community from the  
3 Project.

4         The Order's assertion that the Project would have significant negative impacts on  
5 Randolph due to greenhouse gas emissions is similarly unsupported and unreasonable. There  
6 was no evidence presented that direct greenhouse emissions from the Project would lead to  
7 "significant negative impacts" on Randolph residents, nor could there be. While there was  
8 generalized testimony about greenhouse gases in the atmosphere generally, there was no  
9 correlation made to increased global temperatures from the very limited greenhouse gas  
10 emissions from the Project. Moreover, as a quick-start, fast-ramping, flexible generating  
11 resource, the Project would allow SRP to greatly *reduce* system-wide greenhouse gas  
12 emissions overall as it will help SRP integrate thousands of MWs of renewable resources. The  
13 record shows that SRP's greenhouse gas emissions will drop by more than 65% on a mass-  
14 basis as the Project will help SRP integrate variable renewable resources. Tr. 265:7-11; 342:7-  
15 23; Hr. Ex. SRP-02, Slide Nos. 109-110. The Order is not supported by substantial evidence.

16         Similarly, there is no evidentiary basis to conclude that the Project will have  
17 "significant negative impacts" from an air quality perspective. The record shows that the  
18 Project will comply with all applicable air quality standards. SRP provided sophisticated  
19 modeling conducted in support of the air quality permit, further demonstrating that the Project  
20 will not cause or contribute to an exceedance of health-based standards established by EPA to  
21 be protective of the environment and human health, including sensitive populations such as  
22 asthmatics, children, and the elderly. *See, e.g.*, Tr. 568:1-12. In addition, it is unreasonable and  
23 unlawful for the Commission to deny the Project on air quality grounds, when it is prohibited  
24 from imposing "performance standards other than those established by the agency having  
25 primary jurisdiction over a particular pollution source." A.R.S. § 40-360.06(C)(1). The agency  
26 with primary jurisdiction over air quality matters is the Pinal County Air Quality District,

1 which will not permit the Project if it would lead to significant negative impacts on air  
2 quality.<sup>20</sup>

3 The order also mentions impacts to the view shed. SRP again provided expert visual  
4 resource analysis – the only one in the record – that acknowledges that there will be low to  
5 moderate impacts on residential viewers in certain locations within the Randolph community,  
6 primarily due to the construction of the new switchyard. Simulation 5C, (Hr. Ex. SRP-01, Ex.  
7 G-15) provides a visual depiction of these impacts. These low to moderate impacts would have  
8 been mitigated by vegetative screening. It is also important to note that the Commission has  
9 never previously found similar low to moderate impacts as a basis to justify denial of an  
10 application. If in future cases the Commission takes the same position that visual impacts due  
11 to an expansion of an existing facility are “significant negative impacts” that justify CEC  
12 denial, then no future infrastructure could be built in Arizona, as every transmission line,  
13 switchyard/substation and power plant has some visual impacts.

14 The Order’s reference that this expansion of an existing generating facility will lower  
15 property values is also without any proper evidentiary support. The record contains no  
16 evidence that attempts to quantify the alleged diminution in property value as a result of the  
17 Project. Tr. 1071-1078. The testimony of the Randolph Intervenors’ expert, Mark Stapp, was  
18 limited and does not support the proposition that the expansion would cause any reduction in  
19 property values. Mr. Stapp stated only that home values in Randolph were lower than  
20 Coolidge, but he did not do any specific work to demonstrate or test any decrease in value due  
21 to the Project. In sum, landowners and Mr. Stapp provided their suppositions, supported by  
22 nothing more than their feelings. Such testimony would be rejected in court as inadmissible  
23 and insubstantial and must be rejected by the Commission too, which sits in a quasi-judicial  
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26 <sup>20</sup> Denial on air quality or health grounds is also prohibited by A.R.S. § 41-1002(F), which states, “an agency  
27 may not take any action that materially increases the regulatory burdens on a business unless there is a threat  
28 to the health, safety and welfare of the public that has not been addressed by legislation or industry regulation  
within the proposed regulated field.” Air quality and health impacts associated with air quality emissions are  
the purview of the Pinal County Air Quality District, not the Commission.

1 capacity and must rely on substantial evidence, not speculation, to support its decision-making.  
2 *Arizona Corp. Commission v. Arizona Water Co.*, 111 Ariz. 74, 523 P.2d 505 (1974).

3         The Order's finding that the proposed conditions do not adequately compensate the  
4 Randolph community is simply not supported by the record and not consistent with any prior  
5 CEC application. This finding ignores: 1) the evidentiary record, which demonstrates the  
6 environmental effects of the Project are minimal; and 2) the numerous conditions adopted by  
7 the Committee, which clearly offset the very minimal effects. Under the CEC as adopted by  
8 the Committee, SRP would spend more than \$10,000,000 on mitigation measures, yet the  
9 Order does not even mention SRP's mitigation commitments, let alone consider them.  
10 Additionally, the Commission has never before concluded that neighbors would be damaged  
11 by utility infrastructure and therefore deserving of compensation. Doing so here violates the  
12 constitutional protections of equal protection under the law. *Waltz Healing Center, Inc.*, 245  
13 Ariz. at 616, 433 P.3d at 20 (citing *Book-Cellar, Inc.*, 150 Ariz. at 45, 721 P.2d at 1172 (App.  
14 1986)).

15         Finally, this never before adopted standard – should it become the Commission's new  
16 norm – will make all new utility infrastructure more expensive and uncertain if such  
17 infrastructure can be approved at all. If the speculation and conjecture as to impacts presented  
18 by project opponents in this matter are sufficient to prove damages, as opposed to actual facts,  
19 testing and peer reviewed evidence, all any individual would have to do in a future siting case  
20 is assert claimed property damages based on nothing more than its own belief. This is contrary  
21 to law and will prevent Arizona from fulfilling its duty to provide all Arizonans reliable and  
22 affordable electricity.

23         Findings of Fact 7-8, and Conclusions of Law 1- 4 are inaccurate, unprecedented,  
24 unreasonable, and unlawful. SRP urges the Commission to reconsider, follow the evidence  
25 actually presented in the hearing, hold SRP to the same standard all other siting applicants  
26 have been held, and approve the CEC issued by the Committee.



**VI. THE ORDER'S ASSERTION THAT THE RANDOLPH COMMUNITY WILL EXPERIENCE DISPARATE IMPACTS FROM THE PROJECT IS UNSUPPORTED BY THE RECORD, ARBITRARY, UNREASONABLE, AND UNLAWFUL.**

The Order asserts that the Randolph residents “have not been treated equitably with other more affluent white communities located in proximity to similar projects, and that the Randolph citizens have suffered increased negative impacts on human health, their community and the environment as a result of the disparate treatment.” SRP does not deny the Randolph community has historically been subjected to unequal treatment and harm. Such treatment was wrong. However, this Project neither caused those past harms nor contributes to them. Here are the facts as they pertain to the Project as approved by the Line Siting Committee, and that have been omitted from mention in the Order:

	Santan Generating Station Project	Coolidge Expansion Project
Nearest residences	600 feet	<ul style="list-style-type: none"><li>• 1,000 feet [one farmhouse; owner expressed no opposition to Project]</li><li>• 2,800 feet in Randolph</li></ul>
Number of residences within study area	16,300	<ul style="list-style-type: none"><li>• 450 in two-mile study area</li><li>• Far fewer in Randolph</li></ul>
Cost of CEC commitments	\$20,000,000	\$10,400,000 - \$13,700,000
SRP expenditures per household in CEC	\$1,250	\$23,100 - \$30,500
Approved by the Commission	Yes	No

It is understandable that the Commission be concerned about claims concerning environmental justice. SRP shares the concerns about the past injustices to the Randolph community. That is why SRP agreed to unprecedented mitigation measures to assist the community and be responsive to its stated needs and goals. But concern does not justify denial. The Commission has established no standard for evaluating the circumstances under which a

1 Project may be denied on environmental justice grounds. Denying the Project without  
2 substantial evidence or a legal standard violates due process.

3 Despite the absence of an applicable state standard, SRP applied federal standards  
4 regarding environmental justice used by EPA. Specifically, SRP evaluated the Project using  
5 EPA's EJSCREEN, which is EPA's Environmental Justice screening and mapping tool.<sup>21</sup> This  
6 is a tool that provides a nationally consistent dataset and approach for combining  
7 environmental and demographic indicators. EJSCREEN users choose a geographic area and  
8 the tool then provides demographic and environmental information for that area. In addition,  
9 SRP used EPA's Mapping Power Plants and Neighboring Communities tool,<sup>22</sup> which  
10 combines power plant data with demographic data from EJSCREEN. This tool provides  
11 information on the key demographics and demographic index and information about nearby  
12 fossil fuel power plants that can be used as a general indicator of a community's potential  
13 susceptibility to associated environmental exposures. EPA uses these tools as a comparison of  
14 the reference communities or region compared to the state and national percentages. In this  
15 case, SRP evaluated the Randolph area and census data compared to state of Arizona and the  
16 United States. A final analysis included using EPA's Environmental Toolkit for Assessing  
17 Potential Allegations of Environmental Justice.<sup>23</sup> The Toolkit presents an approach for  
18 conducting a preliminary assessment of community impacts and this method used by this  
19 Toolkit's guidelines analyzes an identified affected area or community of concern with over  
20 50% minority or low income population.

21 The results of these site-specific analyses demonstrated that the effects of the  
22 expansion do not rise to a level considered significant for environmental justice considerations.  
23 Tr. 581:16-583:20. This analysis showed, that because the Project's effects do not rise to the  
24 level of adverse impact to *any* surrounding area, including Randolph, there is no  
25 disproportionate effect on the Randolph community. Tr. 587:18-23. In other words, were the  
26

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27 <sup>21</sup> <https://www.epa.gov/ejscreen>

28 <sup>22</sup> <https://www.epa.gov/airmarkets/power-plants-and-neighboring-communities-map>

<sup>23</sup> <https://www.epa.gov/sites/default/files/2015-02/documents/ej-toolkit.pdf>

1 Project subject to federal law, the Project would comply with all federal laws regarding  
2 environmental justice. Were the Commission to apply federal standards, it would not justify  
3 denial. Here, the Commission applied no standards to justify denial. The Commission may not  
4 craft new requirements and impose them for the first time without an appropriate rulemaking  
5 process.

6 The Order also cites health impacts as a reason for the denial. Again, the Commission  
7 has established no standards for evaluating whether a Project's health impacts warrant denial.  
8 In addition, the Commission has no rules regarding health studies an applicant should provide  
9 and no expertise to make judgments based on health impacts. With respect to health concerns  
10 regarding emissions, the Commission must defer to the regulatory bodies with this expertise –  
11 EPA and the Pinal County Air Quality District. A.R.S. § 40-360.06(C)(1). Had the  
12 Commission done so, it would have understood no substantial evidence supports the Order's  
13 finding that the Randolph community will have increased negative health impacts. To the  
14 contrary, the only site-specific study that evaluated the effects of the Project's emissions on  
15 the Randolph community demonstrated that the Project will not cause or contribute to an  
16 exceedance of federal standards established by EPA to be protective of human health and the  
17 environment. There simply is no contravening evidence in the record – no site-specific studies,  
18 no analyses – to support the Order's findings and conclusions of law regarding environmental  
19 justice and health impacts on the Randolph community.<sup>24</sup>

20 Findings of Fact 7-8, and Conclusions of Law 1- 4 are inaccurate, unprecedented,  
21 unreasonable, and unlawful. The Commission must reconsider.

## 22 CONCLUSION

23 SRP respectfully submits that the decision of SRP's elected Board to proceed with  
24 the Coolidge Expansion Project and the Line Siting Committee's decision to grant a CEC were  
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26 <sup>24</sup> Sierra Club did introduce results of its COBRA modeling. This would not be considered substantial evidence  
27 by any tribunal. Among other problems, EPA refers to COBRA as a quick and dirty assessment and that it  
28 provides a crude estimate of the likely impact of change in emissions on ambient PM-2.5 levels. EPA further  
states that is no substitute for the sophisticated, site-specific dispersion modeling that was conducted in support  
of the air quality permitting process.

1 prudent, necessary, lawful, and correct. SRP demonstrated that the Project is critically needed,  
2 and the need was undisputed. In its application, SRP supplied all of the information required  
3 by the Commission's rules and much more. The Commission's jurisdiction is narrow and does  
4 not extend to reviewing SRP's resource planning decisions or ratemaking. In siting matters,  
5 the Commission is limited to balancing the desire to minimize environmental effects with the  
6 known need for the Project. The evidentiary record developed in the application and before  
7 the Committee demonstrated that there is a significant need for this Project and that need far  
8 outweighs the minimal environmental effects, consistent with the many other projects the  
9 Commission has approved. The Order, unsupported by facts and untethered to any legal  
10 standards, is arbitrary, unreasonable, and unlawful. The Commission must rehear, reconsider,  
11 and reverse under A.R.S. §§ 40-253 and 40-360.07(C).

12           RESPECTFULLY submitted this 16<sup>th</sup> day May, 2022.

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1 **Original + 13 copies filed** on May 16<sup>th</sup>, 2022, with:

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6 I hereby certify that I have this 16<sup>th</sup> day of May, 2022, served the foregoing document(s) on  
all parties of record in this proceeding, as listed below or on the attached service list by  
email.

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